

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Competitive Product Prices  
Inbound Competitive Multi-Service Agreements with  
Foreign Postal Operators  
PRIME United States Postal Service Registered Service  
Agreement (MC2010-34)  
Negotiated Service Agreement

Docket No. CP2022-65

PUBLIC REPRESENTATIVE COMMENTS ON  
POSTAL SERVICE NOTICE OF FILING FUNCTIONALLY  
EQUIVALENT INBOUND COMPETITIVE MULTI-SERVICE  
AGREEMENT WITH FOREIGN POSTAL OPERATORS

(May 23, 2022)

The Public Representative hereby provides comments pursuant to the Commission's Notice in this docket.<sup>1</sup> In that Notice, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice that it entered into an Inbound Competitive Multi-Service Agreement with Foreign Postal Operators.<sup>2</sup> (*Notice*) The Postal Service's Notice concerns the inbound portions of the competitive product agreement Prime United States Postal Service Registered Service Agreement (PRIME-USPS Registered Agreement). *Notice* at 1. The Postal Service seeks to include the

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<sup>1</sup> PRC Notice Initiating Docket No. CP2022-65, May 14, 2022

<sup>2</sup> USPS Notice of filing Functionally Equivalent Inbound Competitive Multi-Service Agreement with Foreign Postal Operators, May 13, 2022. (*Notice*)

PRIME-USPS Registered Agreement within the Inbound Multi-Service Agreement with Foreign Postal Operators 1 (MC2010-34) product. *Id.* The PRIME-USPS Registered Agreement contains rates for registered services. *Id.* at 6.

The Postal Service asserts that the PRIME-USPS Registered Agreement is functionally equivalent to the baseline agreement filed in Docket No. MC2010-34 because the terms of this agreement are similar in scope and purpose to the terms of the CP2010-95 Agreement. *Id.* at 3. It also asserts that the PRIME-USPS Registered Agreement is similar to other agreements reviewed by the Commission in the past including the PRIME-USPS Tracked Agreement in Docket No. CP2020-169.<sup>3</sup>

In support of the Prime- USPS Registered Agreement, the Postal Service filed a redacted version of the Agreement, a copy of the certification required under 39 C.F.R. § 3035.105(c)(2) and redacted copies of Governor's Decision 19-1. *Notice* at 5; see *Id.*, Attachments 2-4. The Postal Service also filed redacted supporting financial workpapers. *Id.*

The Postal Service intends for the Agreement to become effective June 1, 2022, and to continue indefinitely. *Id.* at 6. The Postal Service states that counterparties to this agreement are FPOs that exchange mail with the Postal Service and apply the Universal Postal Convention and Universal Postal Convention Regulations to those exchanges, unless otherwise agreed by contract. *Id.* In addition, the Postal Service states that additional FPOs may become party to the agreement and states that it will update this docket should additional FPOs accede to the PRIME-USPS Registered Agreement. *Id.*

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<sup>3</sup> See Docket No. CP2020-169, Order Approving Additional Inbound Competitive Multi-Service Agreement with Foreign Postal Operators, June 25, 2020 (Order No. 5563).

## COMMENTS

The Public Representative has reviewed the Postal Service's Notice and supporting documentation and concludes that PRIME-USPS Registered Agreement is functionally equivalent to the baseline agreement and should meet the requirements of 39 U.S.C. § 3633(a).

The Postal Service asserts that PRIME-USPS Registered Agreement is functionally equivalent to the baseline agreement filed in Docket No. MC2010-34 because the terms of this agreement are similar in scope and purpose to the terms of the CPO2019-95 Agreement. *Id.* at 3. The Postal Service asserts that the agreements "share many terms and clauses in common." *Id.* at 3. The Postal Service provides a list that identifies the portions of the PRIME-USPS Registered Agreement that are materially similar to the baseline agreement and identifies differences. *Id.* at 7-9.

Also, in support of functional equivalency, the Postal Service notes that the PRIME-USPS Registered Agreement is also similar to the Inbound Market Dominant PRIME Tracked Service Agreement and Inbound Market Dominant Expres Service Agreement 1, which the Commission favorably reviewed and transferred to MCS Section 2515.10. Further, the Postal Service states that the PRIME-USPS Registered Agreement is functionally equivalent to those agreements as it provides a registered service for letter post items, and as such would be classified together with those PRIME agreements. *Id.* The Public Representative has reviewed the materials filed under seal and agrees that the differences are not substantial, and that the instant agreement is fundamentally equivalent to the baseline agreement.

Pursuant to 39 U.S.C. § 3633(a), the Postal Service's competitive prices must not result in the subsidization of competitive products by market dominant products; ensure that each competitive product will cover its attributable costs; and ensure that all competitive products collectively contribute an appropriate share of the institutional costs of the Postal Service. The Public Representative affirms that the supporting workpapers filed under seal related to the PRIME-USPS Agreement demonstrate that the Agreement will meet the requirements of 39 U.S.C. § 3633(a).

The Public Representative, after reviewing all the materials the Postal Service submitted under seal in this matter, recommends that the Commission approve the PRIME-USPS Registered Agreement as a functionally equivalent agreement within the Inbound Competitive Multi-Service Agreements with Foreign Postal Operators product.

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